



Birmingham and Solihull  
Integrated Care System  
Caring about healthier lives

# **JHOSC – Updates on performance against Finance and Recovery Plans**

October 2022

## 22/23 Revenue Plan

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**Birmingham and Solihull ICS submitted a BREAKEVEN PLAN for 22/23 and each of the 5 NHS Providers and the CCG/ICB each individually submitted breakeven plans.**

### Key assumptions

#### **Baseline funding changes:**

- £83m of Covid funding removed from baselines from 1<sup>st</sup> April 2022
- Additional funding through the Elective Recovery Fund provided to increase capacity aimed at reducing long waits for elective care
- Additional funding (£1.5bn nationally) announced in May 2022 to support increases in inflation, particularly around energy costs, and to support 999/111 call handlers

#### **BSOL Efficiency Target:**

- The ICS was required to make system savings of £97.1m to deliver our break even plan

The BSOL ICS plan includes funding and costs relating to the **transfer of West Birmingham** into the ICS from 1<sup>st</sup> July 2022. The boundary change is planned to be cost neutral at a system and organisational level

### Key risks

- **Elective Recovery:** Risk of clawback if activity is below 104% of 19/20 levels
- **Efficiencies:** Commencing from a standing start so supplemented by very little from a FYE perspective; high level of unidentified efficiencies
- **Specialised Commissioning:** Challenges around contract negotiation
- **Inflationary Pressures:** Risk of increases above funded levels
- **Covid:** COVID costs not reducing as quickly as anticipated

## Performance to Month 5

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The system is currently showing a deficit of £12.2m at the end of August 2022 but is still anticipating achieving a **BREAKEVEN** position at **YEAR END**

### Key drivers

- **Under-delivery of provider efficiency schemes:** £4.9m behind plan at the end of M5
- Gaps in respect of assumed **income from Specialised Services** with negotiations around funding ongoing
- Emerging increases in non pay spend as a result of **inflationary pressures**
- Underspends on substantive pay as a result of **vacancies/recruitment slippage**. This is being **offset by overspends on bank and agency spend**.

### Mitigations

- **Efficiencies:** Commencing from a standing start so delivery improvements anticipated in the second half of the year
- **Income recovery:** Negotiations with specialist commissioning expect to partly close funding gap. ERF clawback currently suspended.
- **Inflationary Pressures:** Utilisation of BSOL Procurement Hub to take systematic view of managing contract pressures
- **Non-Recurrent Flexibility** is available to manage short-term pressures

## Efficiency Delivery

### Headlines

- The system has a total efficiency target of £97.1m.
- This comprises the sum of individual organisational efficiency programmes and a £4m system efficiency programme.
- Current projections suggest delivery of 99% of this, although this is partly being achieved by non-recurrent schemes. Additional recurrent schemes are needed to ensure a sustainable position as we move into 2023/24

Analysis of efficiencies by category	Plan £000s	Forecast £000s	Variance £000s
Temporary staffing	5,829	4,764	-1,065
Skill mix reviews	10,181	7,929	-2,252
E-Rostering and other pay	6,166	10,773	4,606
Medicines Optimisation	6,200	5,021	-1,179
Procurement	24,671	22,857	-1,814
Estates & Premises	5,333	3,491	-1,842
Other Non Pay	25,448	23,211	-2,236
Income Schemes	3,061	7,466	4,405
Commissioning Redesign	4,613	4,613	0
CHC / MH / LD Packages	5,620	5,620	0
	97,122	95,745	-1,377

Efficiency Performance	Annual Plan	FOT	FOT Variance	Actual as % of Plan	Recurrent schemes variance		Non-recurrent schemes variance	
	£000s	£000s	£000s		£000s	% of plan	£000s	% of plan
Provider Total	72,981	71,604	-1,377	98%	-16,679	63%	15,302	155%
B'ham and Solihull CCG/ICB	24,141	24,142	1	100%	-492	97%	493	107%
<b>System Total</b>	<b>97,122</b>	<b>95,746</b>	<b>-1,376</b>	<b>99%</b>	<b>-17,171</b>	<b>72%</b>	<b>15,795</b>	<b>145%</b>

### System Efficiency Programme

- Efficiencies - £4m target in Year 1
- System efficiencies operating through a Central Improvement Unit with a Head of CIU appointed to drive delivery and monitoring.
- System CFOs taking SRO role for one of 6 key workstreams:
  - Allocative efficiencies
  - Productivity
  - Workforce
  - Back Office
  - Digital
  - Estates
- A growing number of material system schemes are expected to be managed through this process in 23/24

## Additional funding

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### Elective Recovery

- 2 x bids from the Targeted Investment Fund (TIF) to develop **Elective Hubs at Solihull Hospital and Birmingham Children's Hospital**. These applications are going through the national process for business cases and it is anticipated that this funding will be received.
- **Cancer backlog reduction and diagnostics** – this includes bids for additional endoscopy capacity and for the development of Community Diagnostic Centres across Birmingham and Solihull.

### Urgent and Emergency Care

Capital and revenue funding for a number of initiatives aimed at supporting the system in alleviating pressures as a result of increased urgent and emergency care activity. This includes:

- **Decision Assessment Units** – Additional capacity to support offload of Ambulances in A&E departments
- **Two-hour urgent community response**
- **Additional capacity**, including continuation of primary care ED streaming, an 'unscheduled care co-ordination and tactical operation centre' (HARIS model), and additional Moseley Hall beds
- Mental Health Urgent and Emergency Care – **Wellbeing and crisis hubs** approved with further bids being considered

### Discharge Schemes

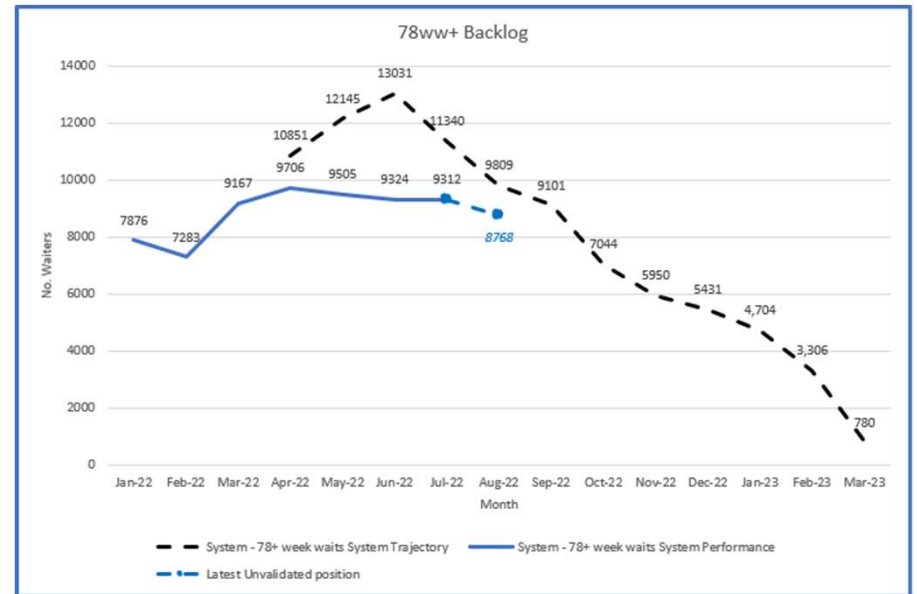
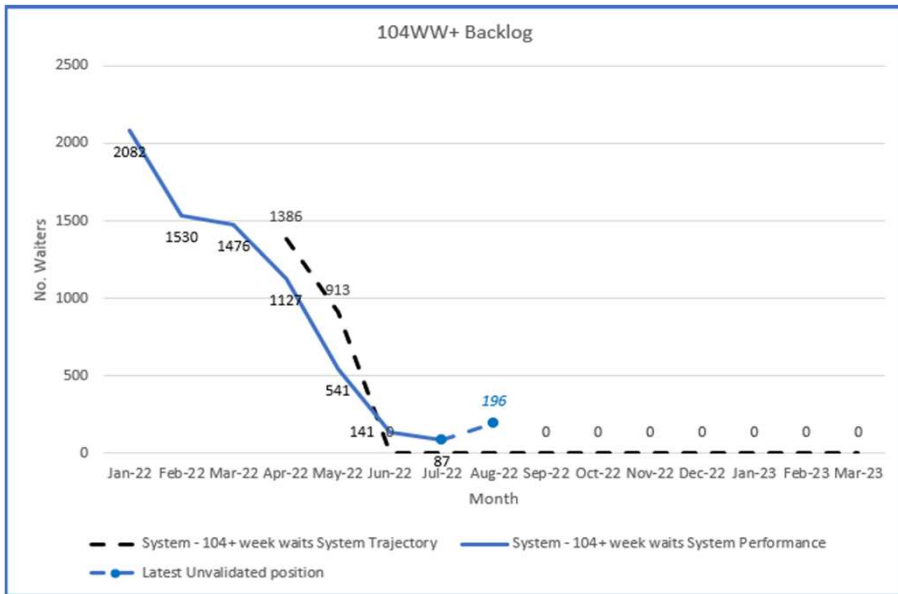
- **Enhanced discharge** – 7 day flow to drive discharges
- Equity of access to **Discharge to Assess for patients with dementia/challenging behaviour**
- **Reducing length of stay** schemes, including optimising community beds, LA discharge support, targeted intervention for frequent attenders, conversion of activity to day-cases,
- **Virtual Wards** – maximising capacity for agreed conditions/pathways

## Recovery Headlines

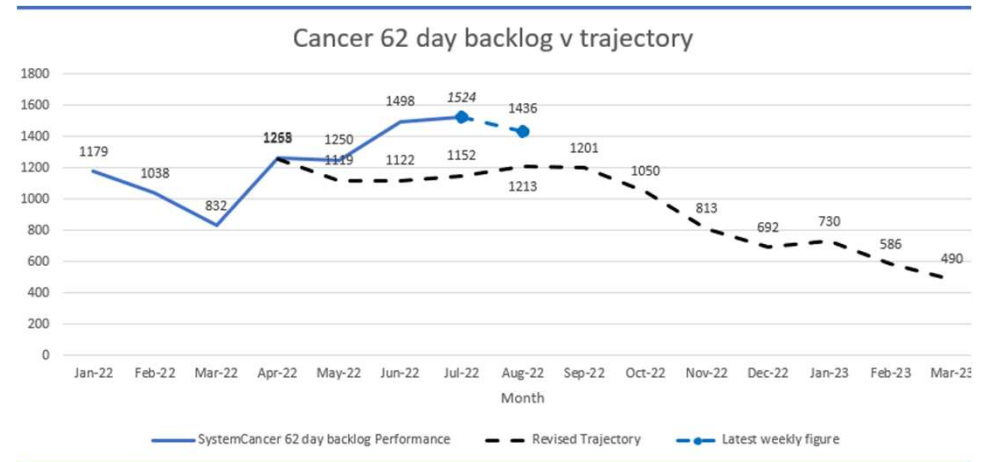
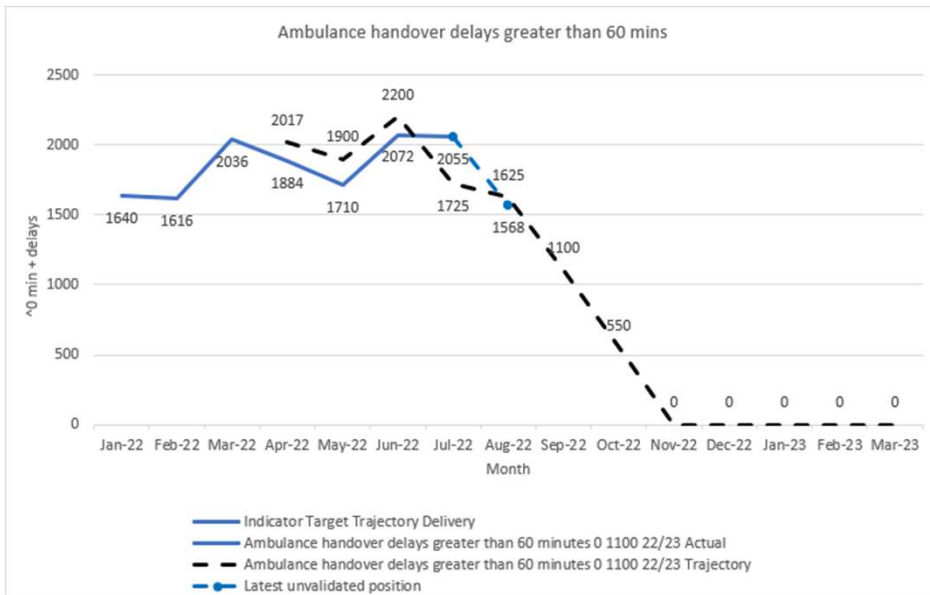
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- Overall, the system is starting to see some good recovery across multiple key areas
- Birmingham and Solihull ICS has had some of the highest waiting lists in the country due to the impact of the pandemic, however waiting lists have improved considerably over the last 6 months.
- Cancer performance is improving, with a target to achieve better than pre-covid levels of performance.
- Urgent and Emergency Care has required considerable focus over the past 5 months, to ensure that plans are embedded for the coming Winter months and again, actions have started to reflect some recovery.
- Primary care access has remained as a challenge. Activity has increased considerably; additional capacity has been provided but this remains challenging to meet the demands

# Elective Performance

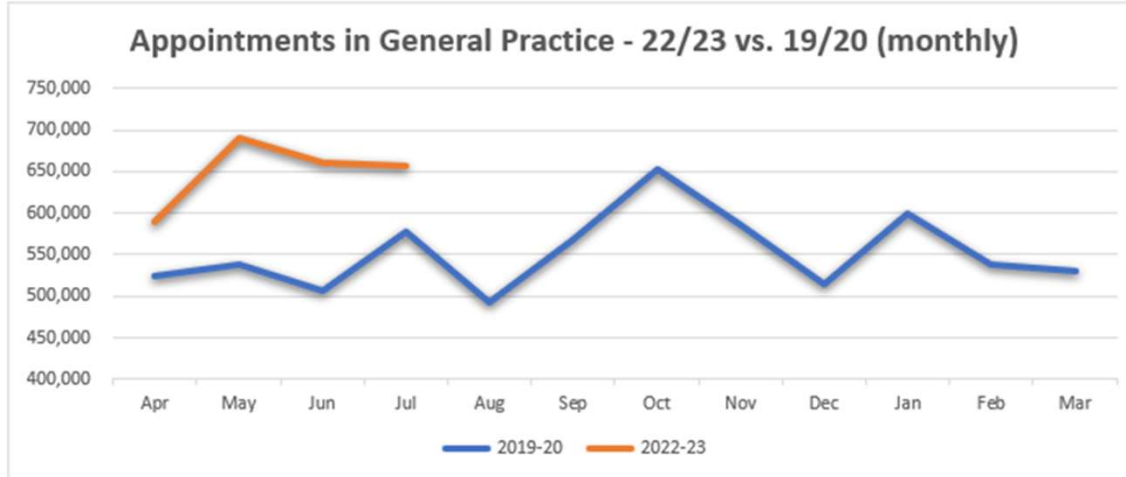


## Other Operational Performance





## Primary Care Access



General practice teams in Birmingham and Solihull are now offering 25% more patient appointments on the same day and up to seven days compared to activity reported for the same period in 2019.

This equates to a total of 3.4 million appointments offered during the period between January to August 2022, compared to 2.7 million appointments offered in the same months in 2019.

Local analysis of national data suggests that activity reported does not routinely capture all appointments offered through current arrangements, such as some existing extended access services. This is due to the configuration of some PCN Hub appointment systems.

BSol digital leads are working with a small number of GP Pilot sites to develop a more robust way to ensure that all appointment activity is systematically captured and reported. The model and approach for this is currently being tested.